(a) whether it is a fact that the rupee is drastically depreciated against the U.S. dollar;

(b) Government's reaction thereto;

(c) What is the exchange value of dollar in terms of rupees as on date in comparision to that obtaining during the last three years; and

(d) the impact on the country's trade, economy and balance of payments as a result of the depreciation of rupee?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL): (a) and (b) After prolonged period of stability between March 1993 and July 1995, the exchange rate of the rupee against the US dollar depreciated in the following months. The depreciation is a market correction for the real appreciation in the external value of the rupee that had taken place since 1993-94 due to inflation differentials between India and the major trading partner countries. There was, however, excessive volatility in the exchange rate in recent periods due to speculative factors which were actively countered by the RBI through appropriate measures.

(c) The exchange rate of the rupee was Rs. 36.560 per US dollar on February 23, 1996. This compares with the average rate of Rs. 30.6488 per US dollar for 1992-93. Rs. 31. 3655 per US dollar for 1993-94 and Rs. 31.3986 per US dollar for 1994-95.

(d) The recent change in the exchange rate has corrected the erosion in India's competitiveness and will help ensure that export growth remains strong and import growth is contained. Both factors will help to contain the trade deficit to manageable levels and to achieve a viable balace of payment based on strong competitiveness.

Excise Claims Against New Tobacco Company

66. SHRI CHATURANAN MISHRA: SHRI GURUDAS DAS GUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there is an excise claim of about Rs. 250 crore against the New Tobacco Company previously National Tobacco Company Limited; and

(b) if so, when the claim was made and what steps are being taken for the recovery of this amount?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) Central Excise claims amounting to Rs. 59.46 crore (Confirmed demands) excluding penalty are outstanding against M/s New Tobacco Company Limited as on date.

(b) Various claims were made against the Company in various periods from 1987 to date. Necessary administrative, legal and other measures under the relevant laws/Acts are continuously taken to recover the outstanding dues.

Interim Report of Fifth Pay Commission

67. MAULANA OBAIDULLAH KHAN AZMI: Will the Minister of FINANCE be pleased to state:

(a) whether there is a proposal under Government consideration to get an Interim Report from the Fifth Pay Commission containing recommendations on the age of retirement, pensionary benefits and merger of DA, Interim Relief into pay for pension purposes, if so, the details there of and if not the reasons therefor; and

(b) whether there is any proposal under the consideration of Government/ Fifth Pay Commission to increase retirement age of Government